

PROVIDING FOR CONSIDERATION OF H.R. 2356, THE
BIPARTISAN CAMPAIGN REFORM ACT OF 2001

JULY 12 (legislative day, JULY 11), 2001.—Referred to the House Calendar and
ordered to be printed

Mr. REYNOLDS, from the Committee on Rules,
submitted the following

REPORT

[To accompany H. Res. 188]

The Committee on Rules, having had under consideration House Resolution , by a nonrecord vote, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 2356, the Bipartisan Campaign Reform Act of 2001, under a structured rule. The rule provides one hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on House Administration. The rule waives all points of order against consideration of the bill.

The rule makes in order only those amendments printed in the Rules Committee report accompanying the resolution, which may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. The rule waives all points of order against the amendments printed in the report. The rule provides one motion to recommit with or without instructions.

The rule further provides that after passage of H.R. 2356, it shall be in order to consider in the House S. 27 and waives all points of order against the Senate bill and against its consideration. The rule makes in order a motion to strike all after the enacting clause of the Senate bill and insert in lieu thereof the provisions of H.R. 2356 as passed by the House, and waives all points of order against

the motion to strike and insert. Finally, the rule provides that, if the motion to strike and insert is adopted and the Senate bill, as amended, is passed, it shall be in order to move that the House insist on its amendment and request a conference with the Senate thereon.

The waiver of all points of order includes a waiver of clause 4(a)(1) of rule XIII (requiring a three-day layover of the committee report), which is necessary because the report was filed on Tuesday, July 10, 2001, and the bill may be considered on the House floor as early as Thursday, July 12, 2001. The waiver also includes a waiver of clause 3(b) of rule XIII (requiring the inclusion in the report of any record votes on a motion to report, or on any amendment to a bill reported from committee), which is necessary because the report failed to contain an accurate report of record votes, and clause 3(c)(4) of rule XIII (requiring the inclusion in the report of a statement of general performance goals and objectives for which the measure authorizes funding), which is necessary because the report failed to contain a report on performance goals. Finally, the waiver includes a waiver of clause 3(d)(2) of rule XIII (requiring the availability of a cost estimate in the report).

COMMITTEE VOTES

Pursuant to clause 3(b) of House rule XIII the results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee record vote No. 23

Date: July 11, 2001.

Measure: H.R. 2356.

Motion by: Mr. Frost.

Summary of motion: To amend the rule to strike the individual amendments offered by Representative Shays and make in order the amendment offered by Representative Shays that would allow Representative Shays to make modifications en bloc to this bill.

Results: Defeated 2 to 9.

Vote by Members: Goss—Nay; Linder—Nay; Pryce—Nay; Diaz-Balart—Nay; Hastings (WA)—Nay; Myrick—Nay; Sessions—Nay; Reynolds—Nay; Frost—Yea; Hastings (FL)—Yea; Dreier—Nay.

Rules Committee record vote No. 24

Date: July 11, 2001.

Measure: H.R. 2356.

Motion by: Mr. Frost.

Summary of motion: To make in order the amendments offered by Representative Doggett that would eliminate duplicative disclosure reporting requirements by state and local candidates and political action committees organized under section 527 of the Internal Revenue Code.

Results: Defeated 2 to 9.

Vote by Members: Goss—Nay; Linder—Nay; Pryce—Nay; Diaz-Balart—Nay; Hastings (WA)—Nay; Myrick—Nay; Sessions—Nay; Reynolds—Nay; Frost—Yea; Hastings (FL)—Yea; Dreier—Nay.

Rules Committee record vote No. 25

Date: July 11, 2001.

Measure: H.R. 2356.

Motion by: Mr. Hastings (FL).

Summary of motion: To make in order the amendments offered by Representative Hastings (FL) that would create a federal grant program to provide a total of \$2.4 billion to state and local governments to assist them in upgrading their voting systems, to be coordinated and administered by the FEC. State and local governments would be able to apply for funds of up to 80 percent of the total cost of upgrading their voting systems. A clause is included to prohibit duplication of funds from federal and state funding programs.

Results: Defeated 2 to 9.

Vote by Members: Goss—Nay; Linder—Nay; Pryce—Nay; Diaz-Balart—Nay; Hastings (WA)—Nay; Myrick—Nay; Sessions—Nay; Reynolds—Nay; Frost—Yea; Hastings (FL)—Yea; Dreier—Nay.

SUMMARY OF AMENDMENTS MADE IN ORDER

All amendments debatable for 10 minutes unless otherwise specified

Shays/Meehan—Strikes the 50% allocation requirement from 323(b)(2) of section 101(a) of the bill. (20 minutes)

Shays/Meehan—Ensures a federal candidate could continue to raise funds allowable in state elections in order to retire debt incurred in a state or local race.

Shays/Meehan—Amends section 323(e)(4) to clarify that federal officeholders and candidates may make general solicitations of funds for 501(c) organizations, up to \$20,000 per year specifically for use in get-out-the-vote and voter registration activities. (20 minutes)

Shays/Meehan—Strikes 323(e)(5), Treatment of Amounts Used to Influence or Challenge State Reapportionment.

Shays/Meehan—Maintains the \$5,000 threshold for reporting by party committees.

Shays/Meehan—Clarifies that the definition of what constitutes an independent expenditure is not changed from current law.

Shays/Meehan—Clarifies that a party must choose whether to make independent or coordinated expenditures as of the date of nomination of a candidate.

Shays/Meehan—Clarifies that an expenditure coordinated with a party committee constitutes a contribution to the party.

Linder/Schrock—Bans the use of certain funds by corporations and labor unions for communications by a corporation to its stockholders or personnel or by a union to its members and their families, or nonpartisan registration and get-out-the-vote campaigns by a corporation or a labor organization.

Hutchinson/Brady (TX)/Hulshof/Graham—Amends section 308(a)(1) of the bill to increase contribution limits for House candidates from \$1,000 to \$2,000.

Shays/Meehan—Increases the aggregate limit on individual contributions to \$95,000 per cycle including not more than \$37,500 per cycle to candidates, and reserving \$20,000 per cycle for the national party committees.

Shays/Meehan—Strikes section 315(b)(3), regarding specific, additional sentencing enhancement for any violation by a person who

is a candidate or a high-ranking campaign official for such candidate.

English—Prohibits the practice of bundling (making a contribution through an intermediary or conduit), but excludes from the prohibition facilitation of contributions by offering advice to another person as to how the other person may make a contribution or providing addressed mailing material for use by the other person in making a contribution.

Shays/Meehan—Strikes section 320 (Conduit Contributions).

Shays/Meehan—Strikes section 321 (Joint Fundraising Committees).

Shays/Meehan—Strikes section 322 (Schemes to Evade).

Shaw/Calvert—Requires candidates running for the office of Representatives in Congress to accept no less than 50% of the total contributions accepted from all sources from within the state in which the candidate is running for office.

Bereuter/Wicker—Prohibits foreign individual campaign contributions to federal candidates. Therefore, only U.S. citizens and U.S. nationals (as defined by section 101(a)(22) of the Immigration and Nationality Act) will be allowed to make an individual contribution to a candidate running for federal office.

Flake—Narrows the exemption given to media outlets such that a media outlet would not be exempt if it: is owned, operated, or controlled by a corporation; derives income from sources other than advertising or subscriptions; receives government funds; or lobbies the government.

Shays/Meehan—Makes a technical correction to section 402, Effective Date, by changing the date in (b)(2) from March 31, 2001, to March 31, 2002.

Doolittle—Amendment in the Nature of a Substitute. Removes all limitations on federal election contributions after 2002, terminates taxpayer financing of presidential election campaigns effective in 2002, requires political parties to distinguish between federal and non-federal funds and requires each state party to file with the FEC a copy of the same disclosure form it files with the state, requires electronic filing of campaign reports to be filed every 24-hours during the three months preceding an election, requires the FEC to post all campaign reports on the Internet, bars acceptance of campaign contributions unless certain disclosure requirements are met, and prohibits the involuntary assessment of funds by labor organizations for political activities and requires separate, prior, written, voluntary authorization of union members to collect or assess any dues, fee or payment that will be used for political activities. (30 minutes)

Ney/Wynn—Amendment in the Nature of a Substitute. Bans soft money contributions to national political parties for federal election activities, including broadcast issue ads; limits national party use of soft money to generic party voter registration and get-out-the-vote drives, plus fundraising and overhead; bans soft money contributions of \$75,000 or more to a national political party committee for any purpose; maintains the current \$1,000 limit on hard money contributions from individuals to candidates; increases hard money contribution limits for contributions to political parties to partially account for inflation; provides for future annual indexing; requires disclosure within 24 hours to the FEC of name, address,

phone number, list of officers, and the amount spent for ads by any group that purchases broadcast issue advertising that mentions a federal candidate within 120 days of a federal election; and requires disclosure to the FEC of identifying information about groups that spend over \$50,000 for targeted mass communications that mention a federal candidate within 120 days of a federal election. (60 minutes)

TEXT OF AMENDMENTS MADE IN ORDER UNDER THE RULE

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAYS OF CONNECTICUT, OR REPRESENTATIVE MEEHAN OF MASSACHUSETTS, OR A DESIGNEE, DEBATABLE FOR 20 MINUTES

Amend section 323(b)(2) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

“(2) APPLICABILITY.—

“(A) IN GENERAL.—Notwithstanding clause (i) or (ii) of section 301(20)(A), and subject to subparagraph (B), paragraph (1) shall not apply to any amount expended or disbursed by a State, district, or local committee of a political party for an activity described in either such clause to the extent the amounts expended or disbursed for such activity are allocated (under regulations prescribed by the Commission) among amounts—

“(i) which consist solely of contributions subject to the limitations, prohibitions, and reporting requirements of this Act (other than amounts described in subparagraph (B)(iii)); and

“(ii) other amounts which are not subject to the limitations, prohibitions, and reporting requirements of this Act (other than any requirements of this subsection).

“(B) CONDITIONS.—Subparagraph (A) shall only apply if—

“(i) the activity does not refer to a clearly identified candidate for Federal office;

“(ii) the amounts expended or disbursed are not for the costs of any broadcasting, cable, or satellite communication, other than a communication which refers solely to a clearly identified candidate for State or local office;

“(iii) the amounts expended or disbursed which are described in subparagraph (A)(ii) are paid from amounts which are donated in accordance with State law and which meet the requirements of subparagraph (C), except that no person (including any person established, financed, maintained, or controlled by such person) may donate more than \$10,000 to a State, district, or local committee of a political party in a calendar year for such expenditures or disbursements; and

“(iv) the amounts expended or disbursed are made solely from funds raised by the State, local, or district committee which makes such expenditure or disburse-

ment, and do not include any funds provided to such committee from—

“(I) any other State, local, or district committee of any State party,

“(II) the national committee of a political party (including a national congressional campaign committee of a political party),

“(III) any officer or agent acting on behalf of any committee described in subclause (I) or (II), or

“(IV) any entity directly or indirectly established, financed, maintained, or controlled by any committee described in subclause (I) or (II).

“(C) PROHIBITING INVOLVEMENT OF NATIONAL PARTIES, FEDERAL CANDIDATES AND OFFICEHOLDERS, AND STATE PARTIES ACTING JOINTLY.—Notwithstanding subsection (e) (other than subsection (e)(3)), amounts specifically authorized to be spent under subparagraph (B)(iii) meet the requirements of this subparagraph only if the amounts—

“(i) are not solicited, received, directed, transferred, or spent by or in the name of any person described in subsection (a) or (e); and

“(ii) are not solicited, received, or directed through fundraising activities conducted jointly by 2 or more State, local, or district committees of any political party or their agents, or by a State, local, or district committee of a political party on behalf of the State, local, or district committee of a political party or its agent in one or more other States.

2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAYS OF CONNECTICUT, OR REPRESENTATIVE MEEHAN OF MASSACHUSETTS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

In section 323(e)(2) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, insert “or was” after “who is”.

3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAYS OF CONNECTICUT, OR REPRESENTATIVE MEEHAN OF MASSACHUSETTS, OR A DESIGNEE, DEBATABLE FOR 20 MINUTES

Amend section 323(e)(4) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, to read as follows:

“(4) PERMITTING CERTAIN SOLICITATIONS.—

“(A) GENERAL SOLICITATIONS.—Notwithstanding any other provision of this subsection, an individual described in paragraph (1) may make a general solicitation of funds on behalf of any entity described in subsection (d)(1) (other than an entity whose principal purpose is to conduct activities described in clauses (i) and (ii) of section 301(20)(A)) where such solicitation does not specify how the funds will or should be spent.

“(B) CERTAIN SPECIFIC SOLICITATIONS.—In addition to the general solicitations permitted under subparagraph

(A), an individual described in paragraph (1) may make a solicitation explicitly to obtain funds for carrying out the activities described in clauses (i) and (ii) of section 301(20)(A), or for an entity whose principal purpose is to conduct such activities, if—

- “(i) the solicitation is made only to individuals; and
- “(ii) the amount solicited from any individual during any calendar year does not exceed \$20,000.

4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAYS OF CONNECTICUT, OR REPRESENTATIVE MEEHAN OF MASSACHUSETTS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

In section 323(e) of the Federal Election Campaign Act of 1971, as proposed to be added by section 101(a) of the bill, strike paragraph (5).

5. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAYS OF CONNECTICUT, OR REPRESENTATIVE MEEHAN OF MASSACHUSETTS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

In section 304(e)(2)(A) of the Federal Election Campaign Act of 1971, as proposed to be added by section 103(a) of the bill, strike the period at the end and insert the following: “, unless the aggregate amount of such receipts and disbursements during the calendar year is less than \$5,000.”.

6. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAYS OF CONNECTICUT, OR REPRESENTATIVE MEEHAN OF MASSACHUSETTS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

In section 301(17)(B) of the Federal Election Campaign Act of 1971, as proposed to be amended by section 211 of the bill, strike “, at the request or suggestion of such candidate, or pursuant to any general or particular understanding with,” and insert “or at the request or suggestion of such candidate,”.

7. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAYS OF CONNECTICUT, OR REPRESENTATIVE MEEHAN OF MASSACHUSETTS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Amend section 315(d)(4) of the Federal Election Campaign Act of 1971, as proposed to be added by section 213(2), to read as follows:

“(4) INDEPENDENT VERSUS COORDINATED EXPENDITURES BY PARTY.—

“(A) IN GENERAL.—On or after the date on which a political party nominates a candidate, no committee of the political party may make—

- “(i) any coordinated expenditure under this subsection with respect to the candidate during the election cycle at any time after it makes any independent expenditure (as defined in section 301(17)) with respect to the candidate during the election cycle; or

“(ii) any independent expenditure (as defined in section 301(17)) with respect to the candidate during the election cycle at any time after it makes any coordinated expenditure under this subsection with respect to the candidate during the election cycle.

“(B) APPLICATION.—For purposes of this paragraph, all political committees established and maintained by a national political party (including all congressional campaign committees) and all political committees established and maintained by a State political party (including any subordinate committee of a State committee) shall be considered to be a single political committee.

“(C) TRANSFERS.—A committee of a political party that makes coordinated expenditures under this subsection with respect to a candidate shall not, during an election cycle, transfer any funds to, assign authority to make coordinated expenditures under this subsection to, or receive a transfer of funds from, a committee of the political party that has made or intends to make an independent expenditure with respect to the candidate.”.

8. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAYS OF CONNECTICUT, OR REPRESENTATIVE MEEHAN OF MASSACHUSETTS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

In section 214, strike subsections (a) through (c) and insert the following:

(a) IN GENERAL.—Section 315(a)(7)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(7)(B)) is amended—

(1) by redesignating clause (ii) as clause (iii); and

(2) by inserting after clause (i) the following new clause:

“(ii) expenditures made by any person (other than a candidate or candidate’s authorized committee) in cooperation, consultation, or concert, with, or at the request or suggestion of, a national, State, or local committee of a political party, shall be considered to be contributions made to such party committee; and”.

(b) REPEAL OF CURRENT REGULATIONS.—The regulations on coordinated communications paid for by persons other than candidates, authorized committees of candidates, and party committees adopted by the Federal Election Commission and published in the Federal Register at page 76138 of volume 65, Federal Register, on December 6, 2000, are repealed as of 90 days after the effective date of this Act.

(c) REGULATIONS BY THE FEDERAL ELECTION COMMISSION.—Within 90 days of the effective date of this Act, the Federal Election Commission shall promulgate new regulations on coordinated communications paid for by persons other than candidates, authorized committees of candidates, and party committees. The regulations shall not require agreement or formal collaboration to establish coordination. In addition to any subject determined by the Commission, the regulations shall address—

(1) payments for the republication of campaign materials;

(2) payments for the use of a common vendor;

(3) payments for communications directed or made by persons who previously served as an employee of a candidate or a political party; and

(4) payments for communications made by a person after substantial discussion about the communication with a candidate or a political party.

9. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE LINDER OF GEORGIA, OR REPRESENTATIVE SCHROCK OF VIRGINIA, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Add at the end of title II the following new subtitle (and conform the table of contents accordingly):

Subtitle C—Ban on Use of Funds by Corporations and Labor Organizations for Certain Activities

SEC. 221. BAN ON USE OF FUNDS BY CORPORATIONS AND LABOR ORGANIZATIONS FOR CERTAIN ACTIVITIES.

Section 316(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b(b)(2)) is amended by striking “(A) communications” and all that follows through “and (C)”.

10. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE HUTCHINSON OF ARKANSAS, OR REPRESENTATIVE BRADY OF TEXAS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Amend section 308(a)(1) to read as follows:

(1) in subparagraph (A), by striking “\$1,000” and inserting “\$2,000”; and

11. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAYS OF CONNECTICUT, OR REPRESENTATIVE MEEHAN OF MASSACHUSETTS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Amend section 308(b) to read as follows:

(b) INCREASE IN ANNUAL AGGREGATE LIMIT ON INDIVIDUAL CONTRIBUTIONS.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended to read as follows:

“(3) During any 2-calendar year period, no individual may make contributions aggregating more than—

“(A) \$37,500, in the case of contributions to candidates and the authorized committees of candidates; and

“(B) \$57,500, in the case of any other contributions, of which not more than \$37,500 may be attributable to contributions to political committees which are not political committees of national political parties.”.

12. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAYS OF CONNECTICUT, OR REPRESENTATIVE MEEHAN OF MASSACHUSETTS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

In section 315(b), strike paragraph (3).

13. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE ENGLISH OF PENNSYLVANIA, OR A DESIGNEE DEBATABLE FOR 10 MINUTES

Amend section 320 to read as follows (and conform the table of contents accordingly):

SEC. 320. PROHIBITING BUNDLING OF CONTRIBUTIONS.

Section 315(a)(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(8)) is amended to read as follows:

“(8) No person may make a contribution through an intermediary or conduit, except that a person may facilitate a contribution by providing—

“(A) advice to another person as to how the other person may make a contribution; and

“(B) addressed mailing material or similar items to another person for use by the other person in making a contribution.”.

14. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAYS OF CONNECTICUT, OR REPRESENTATIVE MEEHAN OF MASSACHUSETTS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Strike section 320.

15. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAYS OF CONNECTICUT, OR REPRESENTATIVE MEEHAN OF MASSACHUSETTS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Strike section 321.

16. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAYS OF CONNECTICUT, OR REPRESENTATIVE MEEHAN OF MASSACHUSETTS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Strike section 322.

17. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAW OF FLORIDA, OR REPRESENTATIVE CALVERT OF CALIFORNIA, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Add at the end of title III the following new section:

SEC. 323. REQUIRING MAJORITY OF AMOUNT OF CONTRIBUTIONS ACCEPTED BY CONGRESSIONAL CANDIDATES TO COME FROM IN-STATE RESIDENTS.

(a) IN GENERAL.—Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 304(a), is further amended by adding at the end the following new subsection:

“(k)(1) The total amount of contributions accepted with respect to an election by a candidate for the office of Senator or the office of Representative in, or Delegate or Resident Commissioner to, the Congress from in-State individual residents shall be at least 50 percent of the total amount of contributions accepted from all sources.

“(2) If a candidate in an election makes expenditures of personal funds (including contributions by the candidate or the candidate’s spouse to the candidate’s authorized campaign committee) in an

amount in excess of \$250,000, paragraph (1) shall not apply with respect to any opponent of the candidate in the election.

“(3) In determining the amount of contributions accepted by a candidate for purposes of paragraph (1), the amounts of any contributions made by a political committee of a political party shall be allocated as follows:

“(A) 50 percent of such amounts shall be deemed to be contributions from in-State individual residents.

“(B) 50 percent of such amounts shall be deemed to be contributions from persons other than in-State individual residents.

“(4) As used in this subsection, the term ‘in-State individual resident’ means an individual who resides in the State in which the election involved is held.”.

(b) REPORTING REQUIREMENTS.—Section 304 of such Act (2 U.S.C. 434), as amended by sections 103, 201, 212, and 309(b), is further amended by adding at the end the following new subsection:

“(i)(1) Each principal campaign committee of a candidate for the Senate or the House of Representatives shall include the following information in the first report filed under subsection (a)(2) which covers the period which begins 19 days before an election and ends 20 days after the election:

“(A) The total contributions received by the committee with respect to the election involved from in-State individual residents (as defined in section 315(k)(4)), as of the last day of the period covered by the report.

“(B) The total contributions received by the committee with respect to the election involved from all persons, as of the last day of the period covered by the report.

“(2)(A) Each principal campaign committee of a candidate for the Senate or the House of Representatives shall submit a notification to the Commission of the first expenditure of personal funds (including contributions by the candidate or the candidate’s spouse to the committee) by which the aggregate amount of personal funds expended (or contributed) with respect to the election exceeds \$250,000.

“(B) Each notification under subparagraph (A)—

“(I) shall be submitted not later than 24 hours after the expenditure or contribution which is the subject of the notification is made; and

“(II) shall include the name of the candidate, the office sought by the candidate, and the date of the expenditure or contribution and amount of the expenditure or contribution involved.”.

(c) PENALTY FOR VIOLATION OF LIMITS.—Section 309(d) of such Act (2 U.S.C. 437g(d)) is amended by adding at the end the following new paragraph:

“(4)(A) Any candidate who knowingly and willfully accepts contributions in excess of any limitation provided under section 315(k) shall be fined an amount equal to the greater of 200 percent of the amount accepted in excess of the applicable limitation or (if applicable) the amount provided in paragraph (1)(A).

“(B) Interest shall be assessed against any portion of a fine imposed under subparagraph (A) which remains unpaid after the ex-

piration of the 30-day period which begins on the date the fine is imposed.”.

18. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BEREUTER OF NEBRASKA, OR REPRESENTATIVE WICKER OF MISSISSIPPI, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Add at the end of III the following new section:

SEC. 323. PROHIBITING ALL INDIVIDUALS WHO ARE NOT CITIZENS OR NATIONALS OF THE UNITED STATES FROM MAKING CONTRIBUTIONS, DONATIONS, OR EXPENDITURES IN CONNECTION WITH ELECTIONS FOR FEDERAL OFFICE.

Section 319(b)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e(b)(2)), as amended by section 318, is amended by striking the period at the end and inserting the following: “, or in the case of an election for Federal office, an individual who is not a citizen of the United States or a national of the United States (as so defined).”.

19. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE FLAKE OF ARIZONA, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

Add at the end of title III the following new section:

SEC. 323. REPEAL OF GENERAL MEDIA EXEMPTION FOR CORPORATE MEDIA OUTLETS.

(a) IN GENERAL.—Section 301(9)(B)(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(i)) is amended by inserting before the semicolon at the end the following: “, or by any corporate media outlet”.

(b) DEFINITION OF ELECTIONEERING COMMUNICATIONS.—Section 304(f)(3)(B)(i) of such Act, as added by section 201(a), is amended by inserting before the semicolon at the end the following: “, or by any corporate media outlet”.

(c) CORPORATE MEDIA OUTLET DEFINED.—Section 301 of such Act (2 U.S.C. 431), as amended by section 304(c), is further amended by adding at the end the following:

“(27) CORPORATE MEDIA OUTLET.—The term ‘corporate media outlet’ means a broadcasting station, newspaper, magazine, or other periodical publication meeting any of the following requirements:

“(A) The station, newspaper, magazine, or publication is owned, operated, or controlled by another corporation or entity.

“(B) The station, newspaper, magazine, or publication derives income from any source other than subscriptions to, or advertising appearing within, the material it disseminates.

“(C) The station, newspaper, magazine, or publication receives funds directly or indirectly from a government.

“(D) The station, newspaper, magazine, or publication directly or indirectly retains, employs, or uses the services of a person who is required to register under the Lobbying Disclosure Act of 1995 (2 U.S.C. 1601 et seq.) as a condition or result of providing the services.”.

20. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SHAYS OF CONNECTICUT, OR REPRESENTATIVE MEEHAN OF MASSACHUSETTS, OR A DESIGNEE, DEBATABLE FOR 10 MINUTES

In section 402(b)(2), strike “March 31, 2001” and insert “March 31, 2002”.

21. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE DOOLITTLE OF CALIFORNIA, OR A DESIGNEE, DEBATABLE FOR 30 MINUTES

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Citizen Legislature and Political Freedom Act”.

SEC. 2. FINDINGS.

Congress finds as follows:

(1) The proliferation of campaign finance laws (beginning with the Federal Election Campaign Act of 1971) and the proliferation of government regulations promulgated pursuant to such laws have placed strict limits on contributions by citizens to the candidates of their choice, limits which have served to severely hinder the ability of challengers to compete on equal terms with incumbent politicians.

(2) The contribution limits imposed by the Federal Election Campaign Act of 1971 force candidates to raise funds in small amounts subject to fixed limitations, inevitably fostering a system under which wealthy candidates and long-term incumbent politicians hold an unfair financial advantage, which in turn serves to discourage potential candidates from seeking public office.

(3) The current campaign finance laws have inhibited the full and fair discussion of public policy issues, as challengers who are not well known to the electorate are forced by government regulation to attempt to amass contributions from large numbers of donors at the outset of a campaign. As a result, challengers who lack the necessary resources to bring new issues into the public debate often are eliminated from political campaigns before their voices are even heard.

(4) The regulation by government of political speech through the regulation of campaign contributions and expenditures is patently undemocratic because it favors institutionalized special interests over grassroots and citizen activity by imposing burdensome reporting and disclosure requirements and stringent spending limits on the political parties, thereby tilting the financial and tactical advantage in political campaigns to well-financed interest groups and wealthy individuals.

(5) The effect of the unreasonably low contribution limits has been to force more contributors and political activists to operate outside the system, resulting in even less accountability and even greater encouragement of irresponsible behavior.

(6) The only way to encourage the robust discourse of public issues and candidates, promote the free exchange of political speech and ideas, protect constitutional freedom, and foster a

more informed electorate is to lift all current restrictions on political candidate and party contributions and expenditures and to provide full, instantaneous disclosure of all contributions and expenditures in elections for Federal office.

SEC. 3. REMOVAL OF LIMITATIONS ON FEDERAL ELECTION CAMPAIGN CONTRIBUTIONS.

Section 315(a) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

“(9) The limitations established under this subsection shall not apply to contributions made during calendar years beginning after 2002.”

SEC. 4. TERMINATION OF TAXPAYER FINANCING OF PRESIDENTIAL ELECTION CAMPAIGNS.

(a) **TERMINATION OF DESIGNATION OF INCOME TAX PAYMENTS.**—Section 6096 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(d) **TERMINATION.**—This section shall not apply to taxable years beginning after December 31, 2001.”

(b) **TERMINATION OF FUND AND ACCOUNT.**—

(1) **TERMINATION OF PRESIDENTIAL ELECTION CAMPAIGN FUND.**—

(A) **IN GENERAL.**—Chapter 95 of subtitle H of such Code is amended by adding at the end the following new section:

“SEC. 9014. TERMINATION.

The provisions of this chapter shall not apply with respect to any presidential election (or any presidential nominating convention) after December 31, 2002, or to any candidate in such an election.”

(B) **TRANSFER OF EXCESS FUNDS TO GENERAL FUND.**—Section 9006 of such Code is amended by adding at the end the following new subsection:

“(d) **TRANSFER OF FUNDS REMAINING AFTER 2002.**—The Secretary shall transfer all amounts in the fund after December 31, 2002, to the general fund of the Treasury.”

(2) **TERMINATION OF ACCOUNT.**—Chapter 96 of subtitle H of such Code is amended by adding at the end the following new section:

“SEC. 9043. TERMINATION.

The provisions of this chapter shall not apply to any candidate with respect to any presidential election after December 31, 2002.”

(c) **CLERICAL AMENDMENTS.**—

(1) The table of sections for chapter 95 of subtitle H of such Code is amended by adding at the end the following new item:

“Sec. 9014. Termination.”

(2) The table of sections for chapter 96 of subtitle H of such Code is amended by adding at the end the following new item:

“Sec. 9043. Termination.”

SEC. 5. DISCLOSURE REQUIREMENTS FOR CERTAIN SOFT MONEY EXPENDITURES OF POLITICAL PARTIES.

(a) **TRANSFERS OF FUNDS BY NATIONAL POLITICAL PARTIES.**—Section 304(b)(4) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(b)(4)) is amended—

(1) by striking “and” at the end of subparagraph (H);

- (2) by adding “and” at the end of subparagraph (I); and
- (3) by adding at the end the following new subparagraph:

“(J) in the case of a political committee of a national political party, all funds transferred to any political committee of a State or local political party, without regard to whether or not the funds are otherwise treated as contributions or expenditures under this title;”.

(b) DISCLOSURE BY STATE AND LOCAL POLITICAL PARTIES OF INFORMATION REPORTED UNDER STATE LAW.—Section 304 of such Act (2 U.S.C. 434), as amended by section 502(a) of the Department of Transportation and Related Agencies Act, 2001 (as enacted into law by reference under section 101(a) of Public Law 106–346), is amended by adding at the end the following new subsection:

“(e) If a political committee of a State or local political party is required under a State or local law, rule, or regulation to submit a report on its disbursements to an entity of the State or local government, the committee shall file a copy of the report with the Commission at the time it submits the report to such an entity.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to elections occurring after January 2003.

SEC. 6. PROMOTING EXPEDITED AVAILABILITY OF FEC REPORTS.

(a) MANDATORY ELECTRONIC FILING FOR ALL REPORTS.—

(1) IN GENERAL.—Section 304(a)(11) of the Federal Election Campaign Act of 1971 (2 U.S.C. 434(a)(11)), as amended by section 639(a) of the Treasury and General Government Appropriations Act, 2000 (Public Law 106–58), is amended—

(A) in subparagraph (A), by striking “a person required to file—” and all that follows and inserting the following: “each person required to file a report under this Act shall be required to maintain and file such report in electronic form accessible by computers.”;

(B) in subparagraph (C), by striking “designations, statements, and reports” and inserting “documents”; and

(C) in subparagraph (D), by striking “means, with respect to” and all that follows and inserting the following: “means any report, designation, statement, or notification required by this Act to be filed with the Commission or the Secretary of the Senate.”.

(2) PLACEMENT OF ALL REPORTS ON INTERNET.—Section 304(a)(11)(B) of such Act (2 U.S.C. 434(a)(11)(B)), as amended by section 639(a) of the Treasury and General Government Appropriations Act, 2000 (Public Law 106–58), is amended—

(A) by striking “a designation, statement, report, or notification” and inserting “each report”; and

(B) by striking “the designation, statement, report, or notification” and inserting “the report”.

(b) REQUIRING REPORTS FOR ALL CONTRIBUTIONS MADE TO ANY POLITICAL COMMITTEE WITHIN 90 DAYS OF ELECTION; REQUIRING REPORTS TO BE MADE WITHIN 24 HOURS.—Section 304(a)(6) of such Act (2 U.S.C. 434(a)(6)) is amended to read as follows:

“(6)(A) Each political committee shall notify the Secretary or the Commission, and the Secretary of State, as appropriate, in writing, of any contribution received by the committee during the period which begins on the 90th day before an election and ends at the time the polls close for such election. This notification shall be

made within 24 hours (or, if earlier, by midnight of the day on which the contribution is deposited) after the receipt of such contribution and shall include the name of the candidate involved (as appropriate) and the office sought by the candidate, the identification of the contributor, and the date of receipt and amount of the contribution.

“(B) The notification required under this paragraph shall be in addition to all other reporting requirements under this Act.”.

(c) **EFFECTIVE DATE.**—The amendment made by this section shall apply with respect to reports for periods beginning on or after January 1, 2003.

SEC. 7. WAIVER OF “BEST EFFORTS” EXCEPTION FOR INFORMATION ON IDENTIFICATION OF CONTRIBUTORS.

(a) **IN GENERAL.**—Section 302(i) of the Federal Election Campaign Act of 1971 (2 U.S.C. 432(i)) is amended—

(1) by striking “(i) When the treasurer” and inserting “(i)(1)

Except as provided in paragraph (2), when the treasurer”; and

(2) by adding at the end the following new paragraph:

“(2) Paragraph (1) shall not apply with respect to information regarding the identification of any person who makes a contribution or contributions aggregating more than \$200 during a calendar year (as required to be provided under subsection (c)(3)).”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply with respect to persons making contributions for elections occurring after January 2003.

SEC. 8. PROHIBITING INVOLUNTARY ASSESSMENT OF FUNDS BY LABOR ORGANIZATIONS FOR POLITICAL ACTIVITIES.

(a) **IN GENERAL.**—Section 316 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441b) is amended by adding at the end the following new subsection:

“(c)(1) Except with the separate, prior, written, voluntary authorization of each individual involved, it shall be unlawful for any labor organization described in this section to collect from or assess its members or nonmembers any dues, initiation fee, or other payment if any part of such dues, fee, or payment will be used for political activity in which the labor organization is engaged.

“(2) An authorization described in paragraph (1) shall remain in effect until revoked and may be revoked at any time. Each labor organization collecting from or assessing amounts from an individual with an authorization in effect under such paragraph shall provide the individual with a statement that the individual may at any time revoke the authorization.

“(3) For purposes of this subsection, the term ‘political activity’ means any activity carried out for the purpose of influencing (in whole or in part) any election for Federal office, influencing the consideration or outcome of any Federal legislation or the issuance or outcome of any Federal regulations, or educating individuals about candidates for election for Federal office or any Federal legislation.”.

(b) **EFFECTIVE DATE.**—The amendment made by subsection (a) shall apply to amounts collected or assessed on or after the date of the enactment of this Act.

SEC. 9. CHANGE IN NAME OF FEDERAL ELECTION COMMISSION.

(a) IN GENERAL.—Section 306 of the Federal Election Campaign Act of 1971 (2 U.S.C. 437c) is amended—

(1) in the heading, by striking “FEDERAL ELECTION COMMISSION” and inserting “FEDERAL CAMPAIGN REGULATION COMMISSION”; and

(2) in the first sentence of subsection (a)(1), by striking “Federal Election Commission” and inserting “Federal Campaign Regulation Commission”.

(b) CONFORMING AMENDMENT.—Section 431(10) of such Act (2 U.S.C. 431(10)) is amended by striking “Federal Election Commission” and inserting “Federal Campaign Regulation Commission”.

(c) REFERENCES IN OTHER LAWS AND DOCUMENTS.—Notwithstanding any other provision of law or any rule or regulation, any reference in any law, rule, regulation, or other document to the Federal Election Commission shall be deemed to be a reference to the Federal Campaign Regulation Commission.

22. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE NEY OF OHIO, OR REPRESENTATIVE WYNN OF MARYLAND, OR A DESIGNEE, DEBATABLE FOR 60 MINUTES

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Campaign Reform and Citizen Participation Act of 2001”.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—SOFT MONEY OF NATIONAL PARTIES

Sec. 101. Restrictions on soft money of national political parties.

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

Sec. 201. Increase in limits on certain contributions.

Sec. 202. Increase in limits on contributions to State parties.

Sec. 203. Treatment of contributions to national party under aggregate annual limit on individual contributions.

Sec. 204. Exemption of costs of volunteer campaign materials produced and distributed by parties from treatment as contributions and expenditures.

Sec. 205. Indexing.

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

Sec. 301. Disclosure of information on communications broadcast prior to election.

Sec. 302. Disclosure of information on targeted mass communications.

TITLE IV—EFFECTIVE DATE

Sec. 401. Effective date.

TITLE I—SOFT MONEY OF NATIONAL PARTIES

SEC. 101. RESTRICTIONS ON SOFT MONEY OF NATIONAL POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following new section:

“SOFT MONEY OF NATIONAL POLITICAL PARTIES

“SEC. 323. (a) PROHIBITING USE OF SOFT MONEY FOR FEDERAL ELECTION ACTIVITY.—A national committee of a political party (including a national congressional campaign committee of a political party) may not solicit, receive, or direct to another person a contribution, donation, or transfer of funds or any other thing of value for Federal election activity, or spend any funds for Federal election activity, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

“(b) LIMIT ON AMOUNT OF NONFEDERAL FUNDS PROVIDED TO PARTY BY ANY PERSON FOR ANY PURPOSE.—No person shall make contributions, donations, or transfers of funds which are not subject to the limitations and prohibitions of this Act to a political committee established and maintained by a national political party in any calendar year in an aggregate amount equal to or greater than \$75,000.

“(c) APPLICABILITY.—This subsection shall apply to any political committee established and maintained by a national political party, any officer or agent of such a committee acting on behalf of the committee, and any entity that is directly or indirectly established, maintained, or controlled by such a national committee.

“(d) DEFINITIONS.—

“(1) FEDERAL ELECTION ACTIVITY.—

“(A) IN GENERAL.—The term ‘Federal election activity’ means—

“(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election, unless the activity constitutes generic campaign activity;

“(ii) voter identification or get-out-the-vote activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot), unless the activity constitutes generic campaign activity;

“(iii) any public communication that refers to or depicts a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and that promotes or supports a candidate for that office, or attacks or opposes a candidate for that office (regardless of whether the communication expressly advocates a vote for or against a candidate); or

“(iv) any public communication made by means of any broadcast, cable, or satellite communication.

“(B) EXCEPTION FOR CERTAIN ADMINISTRATIVE ACTIVITIES.—The term ‘Federal election activity’ does not include any activity relating to establishment, administration, or solicitation costs of a political committee established and maintained by a national political party, so long as the funds used to carry out the activity are derived from funds or payments made to the committee which are segregated and used exclusively to defray the costs of such activities.

“(2) **GENERIC CAMPAIGN ACTIVITY.**—The term ‘generic campaign activity’ means any activity that does not mention, depict, or otherwise promote a clearly identified Federal candidate.

“(3) **PUBLIC COMMUNICATION.**—The term ‘public communication’ means a communication by means of any broadcast, cable, or satellite communication, newspaper, magazine, outdoor advertising facility, or direct mail.

“(4) **DIRECT MAIL.**—The term ‘direct mail’ means a mailing by a commercial vendor or any mailing made from a commercial list.”.

TITLE II—MODIFICATION OF CONTRIBUTION LIMITS

SEC. 201. INCREASE IN LIMITS ON CERTAIN CONTRIBUTIONS.

(a) **CONTRIBUTIONS BY INDIVIDUALS TO NATIONAL PARTIES.**—Section 315(a)(1)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)(B)) is amended by striking “\$20,000” and inserting “\$30,000”.

(b) **CONTRIBUTIONS BY COMMITTEES TO NATIONAL PARTIES.**—Section 315(a)(2)(B) of such Act (2 U.S.C. 441a(a)(2)(B)) is amended by striking “\$15,000” and inserting “\$30,000”.

(c) **AGGREGATE ANNUAL LIMIT ON CONTRIBUTIONS BY INDIVIDUALS.**—Section 315(a)(3) of such Act (2 U.S.C. 441a(a)(3)) is amended by striking “\$25,000” and inserting “\$37,500”.

SEC. 202. INCREASE IN LIMITS ON CONTRIBUTIONS TO STATE PARTIES.

(a) **CONTRIBUTIONS BY INDIVIDUALS.**—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking “or” at the end;

(2) in subparagraph (C)—

(A) by inserting “(other than a committee described in subparagraph (D))” after “committee”; and

(B) by striking the period at the end and inserting “; or”;
and

(3) by adding at the end the following:

“(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed \$10,000.”.

(b) **CONTRIBUTIONS BY COMMITTEES.**—Section 315(a)(2) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(2)) is amended—

(1) in subparagraph (B), by striking “or” at the end;

(2) in subparagraph (C)—

(A) by inserting “(other than a committee described in subparagraph (D))” after “committee”; and

(B) by striking the period at the end and inserting “; or”;
and

(3) by adding at the end the following:

“(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed \$10,000.”.

SEC. 203. TREATMENT OF CONTRIBUTIONS TO NATIONAL PARTY UNDER AGGREGATE ANNUAL LIMIT ON INDIVIDUAL CONTRIBUTIONS.

Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441(a)(3)) is amended—

- (1) by striking “(3)” and inserting “(3)(A)”; and
- (2) by adding at the end the following new subparagraph:
 “(B) Subparagraph (A) shall not apply with respect to any contribution made to any political committee established and maintained by a national political party which is not the authorized political committee of any candidate.”.

SEC. 204. EXEMPTION OF COSTS OF VOLUNTEER CAMPAIGN MATERIALS PRODUCED AND DISTRIBUTED BY PARTIES FROM TREATMENT AS CONTRIBUTIONS AND EXPENDITURES.

(a) TREATMENT AS CONTRIBUTIONS.—Section 301(8)(B)(x) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)(x)) is amended by striking “a State or local committee of a political party of the costs of” and inserting “a national, State, or local committee of a political party of the costs of producing and distributing”.

(b) TREATMENT AS EXPENDITURES.—Section 301(9)(B)(viii) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)(B)(viii)) is amended by striking “a State or local committee of a political party of the costs of” and inserting “a national, State, or local committee of a political party of the costs of producing and distributing”.

SEC. 205. INDEXING.

Section 315(c) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(c)) is amended—

- (1) in paragraph (1)—
 - (A) by striking the second and third sentences;
 - (B) by inserting “(A)” before “At the beginning”; and
 - (C) by adding at the end the following:
 “(B) Except as provided in subparagraph (C), in any calendar year after 2002—
 “(i) a limitation established by subsections (a), (b), (d), or (h) shall be increased by the percent difference determined under subparagraph (A);
 “(ii) each amount so increased shall remain in effect for the calendar year; and
 “(iii) if any amount after adjustment under clause (i) is not a multiple of \$100, such amount shall be rounded to the nearest multiple of \$100.
 “(C) In the case of limitations under subsections (a) and (h), increases shall only be made in odd-numbered years and such increases shall remain in effect for the 2-year period beginning on the first day following the date of the last general election in the year preceding the year in which the amount is increased and ending on the date of the next general election.”; and
- (2) in paragraph (2)(B), by striking “means the calendar year 1974” and inserting “means—
 “(i) for purposes of subsections (b) and (d), calendar year 1974; and
 “(ii) for purposes of subsections (a) and (h), calendar year 2001”.

TITLE III—DISCLOSURE OF ELECTION-RELATED COMMUNICATIONS

SEC. 301. DISCLOSURE OF INFORMATION ON COMMUNICATIONS BROADCAST PRIOR TO ELECTION.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 502(a) of the Department of Transportation and Related Agencies Act, 2001 (as enacted into law by reference under section 101(a) of Public Law 106–346), is amended by adding at the end the following new subsection:

“(e) DISCLOSURE OF INFORMATION ON CERTAIN COMMUNICATIONS BROADCAST PRIOR TO ELECTIONS.—

“(1) IN GENERAL.—Any person who makes a disbursement for a communication described in paragraph (3) shall, not later than 24 hours after making the disbursement, file with the Commission a statement containing the information required under paragraph (2).

“(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

“(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

“(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

“(C) The amount of the disbursement.

“(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

“(E) The text of the communication involved.

“(3) COMMUNICATIONS DESCRIBED.—

“(A) IN GENERAL.—A communication described in this paragraph is any communication—

“(i) which is disseminated to the public by means of any broadcast, cable, or satellite communication during the 120-day period ending on the date of a Federal election; and

“(ii) which mentions a clearly identified candidate for such election (by name, image, or likeness).

“(B) EXCEPTION.—A communication is not described in this paragraph if—

“(i) the communication appears in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, unless such facilities are owned or controlled by any political party, political committee, or candidate; or

“(ii) the communication constitutes an expenditure under this Act.

“(4) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to file a statement under this subsection shall be in addition to any other reporting requirement under this Act.

“(5) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.”.

SEC. 302. DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.

Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434), as amended by section 301, is further amended by adding at the end the following new subsection:

“(f) DISCLOSURE OF INFORMATION ON TARGETED MASS COMMUNICATIONS.—

“(1) IN GENERAL.—Any person who makes a disbursement for targeted mass communications in an aggregate amount in excess of \$50,000 during any calendar year shall, within 24 hours of each disclosure date, file with the Commission a statement containing the information described in paragraph (2).

“(2) CONTENTS OF STATEMENT.—Each statement required to be filed under this subsection shall be made under penalty of perjury and shall contain the following information:

“(A) The identification of the person making the disbursement, of any individual or entity sharing or exercising direction or control over the activities of such person, and of the custodian of the books and accounts of the person making the disbursement.

“(B) The principal place of business and phone number of the person making the disbursement, if not an individual.

“(C) The amount of each such disbursement of more than \$200 made by the person during the period covered by the statement and the identification of the person to whom the disbursement was made.

“(D) The clearly identified candidate or candidates to which the communication pertains and the names (if known) of the candidates identified or to be identified in the communication.

“(E) The text of the communication involved.

“(3) TARGETED MASS COMMUNICATION DEFINED.—

“(A) IN GENERAL.—In this subsection, the term ‘targeted mass communication’ means any communication—

“(i) which is disseminated during the 120-day period ending on the date of a Federal election;

“(ii) which refers to or depicts a clearly identified candidate for such election (by name, image, or likeness); and

“(iii) which is targeted to the relevant electorate.

“(B) TARGETING TO RELEVANT ELECTORATE.—

“(i) BROADCAST COMMUNICATIONS.—For purposes of this paragraph, a communication disseminated to the public by means of any broadcast, cable, or satellite communication which refers to or depicts a clearly

identified candidate for Federal office is ‘targeted to the relevant electorate’ if the communication is disseminated by a broadcaster whose audience includes—

“(I) a substantial number of residents of the district the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Representative in, or Delegate or Resident Commissioner to, the Congress; or

“(II) a substantial number of residents of the State the candidate seeks to represent (as determined in accordance with regulations of the Commission), in the case of a candidate for Senator.

“(ii) OTHER COMMUNICATIONS.—For purposes of this paragraph, a communication which is not described in clause (i) which refers to or depicts a clearly identified candidate for Federal office is ‘targeted to the relevant electorate’ if—

“(I) more than 10 percent of the total number of intended recipients of the communication are members of the electorate involved with respect to such Federal office; or

“(II) more than 10 percent of the total number of members of the electorate involved with respect to such Federal office receive the communication.

“(C) EXCEPTIONS.—The term ‘targeted mass communication’ does not include—

“(i) a communication appearing in a news story, commentary, or editorial distributed through the facilities of any broadcasting station, newspaper, magazine, or other periodical publication, unless such facilities are owned or controlled by any political party, political committee, or candidate;

“(ii) a communication made by any membership organization (including a labor organization) or corporation solely to its members, stockholders, or executive or administrative personnel, if such membership organization or corporation is not organized primarily for the purpose of influencing the nomination for election, or election, of any individual to Federal office; or

“(iii) a communication which constitutes an expenditure under this Act.

“(4) DISCLOSURE DATE.—For purposes of this subsection, the term ‘disclosure date’ means—

“(A) the first date during any calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of \$50,000; and

“(B) any other date during such calendar year by which a person has made disbursements for targeted mass communications aggregating in excess of \$50,000 since the most recent disclosure date for such calendar year.

“(5) COORDINATION WITH OTHER REQUIREMENTS.—Any requirement to report under this subsection shall be in addition to any other reporting requirement under this Act.

“(6) CLARIFICATION OF TREATMENT OF VENDORS.—A person shall not be considered to have made a disbursement for a communication under this subsection if the person made the disbursement solely as a vendor acting pursuant to a contractual agreement with the person responsible for sponsoring the communication.”.

TITLE IV—EFFECTIVE DATE

SEC. 401. EFFECTIVE DATE.

The amendments made by this Act shall apply with respect to elections occurring after December 2002.

